

SENATE BILL 205

N1

11r0719

By: **Senator Frosh**

Introduced and read first time: January 26, 2011

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Residential Property Foreclosure Procedures – Notice of**
3 **Intent to Foreclose**

4 FOR the purpose of requiring that a certain notice of intent to foreclose be signed by
5 an agent of the secured party; requiring that the agent make a certain
6 affirmation under penalties of perjury; and generally relating to foreclosure of a
7 mortgage or deed of trust on residential property.

8 BY repealing and reenacting, with amendments,
9 Article – Real Property
10 Section 7–105.1(c)
11 Annotated Code of Maryland
12 (2010 Replacement Volume and 2010 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article – Real Property**

16 7–105.1.

17 (c) (1) Except as provided in subsection (b)(2)(iii) of this section, at least
18 45 days before the filing of an action to foreclose a mortgage or deed of trust on
19 residential property, the secured party shall send a written notice of intent to foreclose
20 to the mortgagor or grantor and the record owner.

21 (2) The notice of intent to foreclose shall be sent:

22 (i) By certified mail, postage prepaid, return receipt requested,
23 bearing a postmark from the United States Postal Service; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) By first-class mail.

2 (3) A copy of the notice of intent to foreclose shall be sent to the
3 Commissioner of Financial Regulation.

4 (4) The notice of intent to foreclose shall:

5 (i) Be in the form that the Commissioner of Financial
6 Regulation prescribes by regulation; [and]

7 (ii) Contain:

8 1. The name and telephone number of:

9 A. The secured party;

10 B. The mortgage servicer, if applicable; and

11 C. An agent of the secured party who is authorized to
12 modify the terms of the mortgage loan;

13 2. The name and license number of the Maryland
14 mortgage lender and mortgage originator, if applicable;

15 3. The amount required to cure the default and reinstate
16 the loan, including all past due payments, penalties, and fees;

17 4. A statement recommending that the mortgagor or
18 grantor seek housing counseling services;

19 5. The telephone number and the Internet address of
20 nonprofit and government resources available to assist mortgagors and grantors facing
21 foreclosure, as identified by the Commissioner of Financial Regulation;

22 6. An explanation of the Maryland foreclosure process
23 and time line, as prescribed by the Commissioner of Financial Regulation; and

24 7. Any other information that the Commissioner of
25 Financial Regulation requires by regulation; AND

26 **(III) BE SIGNED BY AN AGENT OF THE SECURED PARTY, WHO**
27 **SHALL AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF**
28 **THE NOTICE OF INTENT TO FORECLOSE ARE TRUE TO THE BEST OF THE AGENT'S**
29 **KNOWLEDGE, INFORMATION, AND BELIEF.**

30 (5) The notice of intent to foreclose shall be accompanied by:

1 (i) A loss mitigation application:

2 1. For loss mitigation programs that are applicable to
3 the loan secured by the mortgage or deed of trust that is the subject of the foreclosure
4 action; or

5 2. If the secured party does not have its own loss
6 mitigation application, in the form prescribed by the Commissioner of Financial
7 Regulation;

8 (ii) Instructions for completing the loss mitigation application
9 and a telephone number to call to confirm receipt of the application;

10 (iii) A description of the eligibility requirements for the loss
11 mitigation programs offered by the secured party that may be applicable to the loan
12 secured by the mortgage or deed of trust that is the subject of the foreclosure action;
13 and

14 (iv) An envelope preprinted with the address of the person
15 responsible for conducting loss mitigation analysis on behalf of the secured party for
16 the loan secured by the mortgage or deed of trust that is the subject of the foreclosure
17 action.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2011.